

Housing Benefit and Supported Accommodation

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James Dyke and Paul Hill

Citizen Services

Housing Benefit and Council Tax Reduction

Slide 1



Overview

- Housing Benefit for Private Sector Landlords
- Specified Accommodation
- Exempt Accommodation
- Managed Accommodation
- Landlord Status
- Care, Support or Supervision Provision
- Decision Making For New Schemes

Housing Benefit for Private Sector Landlords

- Since 2008 private tenants' Housing Benefit eligible rent assessed on the basis of Local Housing Allowance (LHA)
- Applicable LHA rate based on tenants' room need or usage (ie shared)
- LHA rates determined on basis of 30th percentile of market rents
- Frozen at 2015/16 rates by central government until 2020
- Will be assessed under Universal Credit as cases migrate over (Full migration 2022 at the earliest)

Specified Accommodation

- Overarching term for housing costs that can be covered by Housing Benefit following the introduction of Universal Credit
- Exempt from the benefit cap.
- Falls into four categories;
 1. Exempt Accommodation
 2. Managed Accommodation
 3. Refuges
 4. Local Authority Hostels

The first two categories only will be covered in this presentation.

Exempt Accommodation

- Accommodation provided by a non-metropolitan county council in England, a housing association, a registered charity or voluntary organisation where that body, or a person acting on its behalf, also provides the claimant with care, support or supervision.
- Relates to the tenant not the accommodation (Case by case basis).
- Allows for eligible rent to be determined under Housing Benefit regulations preserved since January 1996 which were free of the subsequent rent restriction rules that have been imposed since (Local Reference Rent, Local Housing Allowance, Maximum Rent – Social Sector) as an acknowledgment that providers would incur higher costs in providing accommodation of this nature.

Managed Accommodation

- Accommodation provided by a non-metropolitan county council in England, a housing association, a registered charity or voluntary organisation.
- Tenant is provided with care, support or supervision but not by, or on behalf of, the landlord.
- The tenant must have been admitted in to the dwelling to meet a care, support or supervision need.
- Floating support provided to residents in 'general needs' accommodation would not count.
- Rent assessed with reference to the 2006 HB Regulations

Landlord Status

- Non-metropolitan County Council
- Housing Association
Registered with Homes and Community Agency
- Registered Charity
Regulated by Charity Commission

Landlord Status

- Voluntary Organisation or unregistered Housing Association
 - Company Limited by Guarantee
 - Registered Society (Formerly known as Industrial and Provident Societies)
 - Community Interest Company
- Organisation must not trade for profit
- Decision as to whether this criteria met will be made on the facts of each case

Care, Support or Supervision Provision

- No statutory meaning so ordinary dictionary definitions used.
- Must be above minimal
- Be provided for, and made use of by, the tenant
- Ongoing support and not just tenancy set up related
- If support is commissioned and provided by, or on behalf of, the landlord, HB decision maker accepts that the provision is above minimal.
- Tenant not accommodation related
- To fulfil the 'on behalf of' criterion, there must be 'a sense of agency' in place between support provider and landlord such a contract which is legally enforceable.

Decision Making For New Schemes

- Scrutiny is applied to new providers and to proposed changes to rent and service above inflationary levels from existing providers. Changes in the structure of an organisation will be examined in the same manner as a new provider who approaches the service.
- HB regulations allow us to refuse all payments if it is felt that a rent liability has been created to take advantage of the housing benefit scheme
- All the facts that have informed the creation of the new organisation and/or rent liability will be scrutinised including;
 - Changes to organisational structure
 - Motivation for the change in organisational structure
 - Changes to funding of the organisation
 - Property leasing arrangements
 - Level of rent compared with that charged previously
 - Introduction of new service charge elements

- A clear explanation of how service charges have been calculated and supporting evidence to confirm expenditure incurred on these services by the provider will be required.
- If the authority is satisfied that the rent liability has not been created to take advantage of the HB scheme then scrutiny will be made to ensure that the rent and service charges are not excessive.
- The onus is on the landlord to provide any information required by the authority to corroborate the charges requested. In the absence of this we are able to determine that the costs do not exist.
- Generally takes a minimum of 6-9 months to reach a determination from a new scheme going online.

Questions?

